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INFO RUCPDOC/USDOC WASHDC PRIORITY
RUEAIIA/CIA WASHINGTON DC
RUEKJCS/SECDEF WASHINGTON DC
RHMFIUU/FBI WASHINGTON DC
RHMFIUU/HQ BICE INTEL WASHINGTON DC

UNCLAS ISLAMABAD 000668

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E.O. 12958: N/A

TAGS: [ETTC](#) [KOMC](#) [PK](#)

SUBJECT: PAKISTAN: BLUE LANTERN LEVEL 3: PRE-LICENSE CHECK ON
APPLICATION 050068647

REF: 07 STATE 149579

¶1. (SBU) Consulate General Karachi Econ Officer visited foreign intermediate consignee Consolidated Logistics Corporation in late 2007 to conduct a pre-license check on application 050068647. Econ Officer met with Shahid Shafiq, one of Consolidated Logistics' co-Directors, at his office in Karachi.

¶2. (SBU) Consolidated Logistics Corporation was established in the 1970s by Mr. Shafiq's father. The company is currently under the direction of Shahid Shafiq and his brother, Ahsan Shafiq. The company typically serves as a broker for the purchase of military items for the Pakistani armed forces. State-owned Pakistan International Airlines (PIA) is also a customer.

¶3. (SBU) For application 050068647, Consolidated Logistics is acting as a representative for UK-based Insight Technology. Consolidated Logistics will not receive the merchandise directly and will be conducting a "paper transfer" only. Non U.S.-origin second generation image intensifier tubes (IITs), provided by French company Photonis-DEP, will be integrated into the U.S.-origin night vision devices (NVDs). The Pakistani Ministry of Defense's Institute of Optronics will integrate the two products.

¶4. (SBU) Shafiq understands the restrictions on U.S. Munitions List (USML) items. Paperwork provided to EconOff indicates that items cannot be re-exported. Consolidated Logistics was unable to provide a purchase order. Shafiq reported that for small transactions like application 050068647, the Ministry of Defense (MOD) issues contracts after bids are accepted. The company provided technical specifications from Photonis-DEP, line of credit documentation from the National Bank of Pakistan and pro-forma invoices billed to the Ministry of Defense Production. Electronic copies of all documentation have been sent to the Blue Lantern POC.

¶5. (SBU) Comment: Consolidated Logistics appears to be a reliable recipient of USML items. However, in this case, the company will not be taking physical possession of the items in question. Post was unable to verify the company's order with the Ministry of Defense, nor ascertain whether the U.S.-origin NVDs were ordered without U.S.-origin IITs. End comment.

PATTERSON